



Former Niti Aayog chief Arvind Panagariya

**STOCK CHECK**

Sensex intra-day movement



Previous 39122.96

**CURRENCIES**

US \$	Rs 69.34
UK Pound	Rs 88.38
Euro	Rs 78.97

**INDICES**

BSE		
Sensex	39434.94	+311.98
Midcap	14674.39	+96.09
Smallcap	14108.49	+45.04
NSE		
Nifty	11796.45	+96.80
Next 50	27028.45	+68.20
Nifty 500	9632.85	+68.75

**Most active on NSE**

Scrip	Price	Traded value#
ICICI	1102.50	2099.06
Reliance	1295.40	876.74
Axis Bank	780.10	774.43
IbuhlHsgFin	619.00	746.67
Tata Steel	496.10	667.93

**COMMODITIES**

Gold (10 gram in Rs)		
Pure	35080	+420
Hallmark	33780	+400
Silver (kg in Rs)		
Bar	38200	+150
Portion	38300	+150
Crude*	4022	+29
Copper#	419.95	+5.05

\*per barrel in Rs; # per kg in Rs

**MONEY MARKET**

Yield (%)	
Call rate	4.40
91-day T-Bill	5.96
1-year Gilt	6.11
5-year Gilt	6.76
10-year Gilt	6.88

**IN BRIEF**

**CESC to raise funds**

■ **NEW DELHI:** CESC Ltd will seek shareholders' approval to raise Rs 350 crore through various modes of securities next month. The annual general meeting of the company will be held on July 19, 2019, according to the annual report of the company. **PTI**

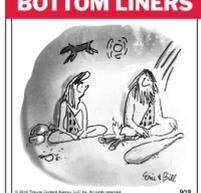
**Cure.fit**

■ **NEW DELHI:** Health and fitness start-up Cure.fit on Tuesday said it has raised \$120 million (Rs 832 crore) in a fresh round of equity and debt funding from existing and new investors.

**Rosekandy strike**

■ **CALCUTTA:** Rosekandy tea garden in Hailakandi, which started operations on Monday after 15 days of labour strike, went on a full strike again on Tuesday. The Indian Tea Association has expressed its concern over the growing interference by non workers in such garden affairs.

**BOTTOM LINERS**



"Hunting isn't your thing — have you considered the gathering sector?"

**L&T gets majority in Mindtree**



**STEADY MOVE**

**Bangalore:** Larsen and Toubro Ltd (L&T) has acquired a controlling stake in IT services company Mindtree, *CNBC TV18* reported citing sources. The report comes within months of Mindtree rejecting a hostile takeover bid from L&T, saying that the plan was of no value for the firm or its shareholders.

L&T's hostile bid to acquire a controlling stake in Mindtree is the first in India's software services industry and is rare in India's corporate sector, where unsolicited suitors are usually deterred by founders with large shareholding.

The Mumbai-based construction giant increased its stake in Mindtree to 51 per cent, the channel reported, adding L&T got over 21 per cent stake through an open offer so far.

In March, L&T bought a fifth of Mindtree from coffee baron V.G. Siddhartha and companies related to him for \$474.73 million and said it planned to raise its stake to 66 per cent.

As of March 19, Mindtree founders, including executive chairman Krishnakumar Natarajan and chief executive Rostow Ramanan, owned a combined 13.3 per cent stake in the company.

Since March, L&T kept buying stake in Mindtree from its promoters and through an ongoing open offer. *Mint* newspaper reported that Singapore-based Nalanda Capital on Monday sold its entire 10.61 per cent stake in the IT services firm to L&T in the offer.

Mindtree was not immediately available to comment, while L&T declined to comment on the matter. **Reuters**

# Retail policy put on fast track

**OUR SPECIAL CORRESPONDENT**

**New Delhi:** The government plans to come out with a draft national retail policy in the next 10 days amid strong opposition among small traders over the rapid expansion of online retail, led by multinationals, even as they grapple with the computerisation of their operations.

The commerce ministry has also formed a committee to address the concerns of stakeholders on the draft e-commerce policy and would come out with a final policy within a year.

Ramesh Abhishek, secretary of Department for Promotion of Industry and Internal Trade, of the commerce ministry, met with the representatives of both the traditional formats as well as the modern formats of the retail trade to assess the concerns of the stakeholders.

"The draft would be released in the next 10 days to seek comments from the trader community for formulating the final policy. We expect the final policy to be released by the first week of September," the secretary-general of the Confederation of All India Traders (CAIT) Praveen Khandelwal said. The retail trade is worth \$650 billion in the country.

Khandelwal said the policy should include the upgradation and modernisation of the existing format of retail trade.

The government has almost moved to an e-system, but only 35 per cent of the 7 crore traders have computerised their businesses.

Government support is needed to link the rest of 65 per cent traders with the computer system. CAIT has proposed a 50 per cent government subsidy to the traders.

Khandelwal said the proposed

**THE DEMANDS**

- Support to small traders to computerise their operations
- Mechanism to review existing rules governing trade
- Improve physical infrastructure of markets
- Protection of traders

policy should promote fair and honest trade and address the concerns of the traders both at the central and state levels. It has sought low rate of interest, short- to mid-term lending and a mechanism to review laws, acts, rules and regulations governing trade.

Besides, the draft retail policy

should address the issue of physical infrastructure in traditional and local neighbourhood markets.

The Federation of All India Vyaapar Mandal general secretary V.K. Bansal, who was also present at the meeting, raised the issue of the protection of retail traders and sought a well-defined space for each segment of retail including traditional, online, hyper market, direct sellers and hawkers.

The meeting was also attended by the Swadeshi Jagran Manch, Laghu Udyog Bharti, Retailers Associations of India, the CII, Ficci, Assocham and the PHD Chamber of Commerce.

**E-commerce policy**

The commerce and industry ministry has formed a committee, headed by the additional secretary of the department, with the representatives of Department of Commerce, the min-

istries of MSME and consumers affairs, and legal experts as members, to hear grievances and provide necessary clarifications on issues related to FDI in e-commerce.

The move comes after commerce minister Piyush Goyal held a meeting with stakeholders, including e-commerce companies, on Monday evening.

"We will put in place an institutional framework to bring out a national policy on e-commerce within next 12 months," officials said.

The government in February released the draft of a national e-commerce policy that proposed restrictions on cross-border data flow and laid out conditions regarding the collection or processing of sensitive data locally and storing it abroad. Several foreign e-commerce companies have raised their concerns over some points in the draft pertaining to data.

# Piramal, TPG look to exit Shriram Cap

**OUR SPECIAL CORRESPONDENT**

**Mumbai:** Piramal Enterprises Ltd (PEL) and TPG Capital, the private equity firm, are mulling an exit from Shriram Capital Ltd (SCL), the unlisted holding company of the Shriram group.

"PEL and TPG are valuable investors of the Shriram group. Both PEL and TPG are evaluating the feasibility of selling their respective shareholding in SCL. PEL's evaluation of exit from SCL is a part of its long-term strategy to fund growth of its financial services business," Shriram Capital said in a statement on Tuesday.

"TPG's evaluation of an exit from SCL is consistent with its investment review practices, and takes into account, among other factors, the period of time TPG has been invested in SCL. If and when definitive documents for such a transaction are executed, appropriate disclosures

**QUIT CALL**

- Shriram Capital is a holding company of the financial services business of Shriram group
- TPG and Piramal are looking to exit the company
- Shriram group firms likely to be governed by Shriram Ownership Trust

will be made in accordance with applicable laws," the statement said.

Piramal on Monday had announced that it was planning to sell its entire holding of around 20 per cent in Shriram Capital. Earlier this month, the diversified firm had sold its entire holding of 10 per cent in Shriram Transport Finance for Rs 2,300 crore.

Piramal Enterprises, however, did not disclose details such as the expected valuation of its stake in Shriram Capital, potential buyer and a timeline to close the deal.

The company in 2013 had initially picked up a 9.9 per cent stake in Shriram Capital for Rs 1,636 crore; next year it increased the stake to 20 per cent at an outlay of Rs 2,014 crore.

Shriram Capital is the holding company for the financial services and insurance businesses of the Shriram group.

The financial service businesses include commercial vehicle (CV) financing, retail financing, housing finance, life insurance, general insurance, stock broking and the distribution of financial products.

D.V. Ravi, managing director Shriram Capital and managing trustee-Shriram Ownership Trust, said the group companies would be managed by the trust. Leadership, vision and direction would be provided by the boards of the companies, Ravi said.

The shares of Piramal Enterprises on Tuesday settled lower at 2.32 per cent, or Rs 45.05, at Rs 1,900.55 on the BSE.

# Forecast of sugar output fall

**OUR SPECIAL CORRESPONDENT**

**New Delhi:** Sugarcane output is likely to fall in the 2019-20 season (October-September) because of drought-like situation in Maharashtra and Karnataka, but a lower demand and carryover stocks will continue to put pressure on the price of the sweeter.

"We expect domestic sugar production for SY2020 (sugar year 2019-2020) to decline from 32.9 million tonnes (mt) in SY2019 owing to drought-like conditions in major producing states, such as Maharashtra and Karnataka," Sabyasachi Majumdar, senior vice-president & group head — corporate ratings, Icrs, said.

He said it was too early to forecast the decline in output. However, pressure is likely to continue on prices and on operating margins in 2019-20 because of surplus in the market.

India's ability to export sugar and continued policy support by the government to divert production towards ethanol will remain key to the health of the industry.

Icrs estimates domestic consumption to be around 26mt in 2018-2019 (sugar year) and closing stocks at around 14.5mt.

Prices in UP have increased to Rs. 33-33.5/kg in anticipation of a decline in production. But the pressure on prices cannot be completely

# RIL to raise \$1.85bn in loans

**New Delhi:** Oil-to-telecom conglomerate Reliance Industries (RIL) on Tuesday said it has signed pacts with overseas lenders to avail long-term loans of \$1.85 billion (about Rs 12,900 crore) to finance its capital expenditure.

The fund raising comes amid reports of the company planning to infuse as much as Rs 20,000 crore into Jio to bolster its broadband and e-commerce play, ahead of a potential entry into 5G mobile telephony services.

"The company has entered into agreements with offshore lenders for availing of long-term loans aggregating \$1.85 billion, primarily to meet a part of its planned capital expenditure, in the normal course of its business," RIL said in a regulatory filing.

Without giving details of the loans such as tenure and the interest rate, it went on to say that the company on an ongoing basis evaluates financing opportunities with lenders in the normal course of business and would make requisite disclosures according to regulations.

In a separate filing on a report that the company is under the government scanner for alleged diversion of Rs 1,700 crore CSR funds, RIL said the ministry of corporate affairs (MCA) has been seeking information from the company from time to time about its CSR activities.

"The company has been providing information in response to the requirements of MCA. The MCA has recently sought additional information on CSR projects and the company is providing the same to MCA," it said. **PTI**

# MSME credit drive

**OUR SPECIAL CORRESPONDENT**

**Mumbai:** An expert panel of the Reserve Bank of India (RBI) on micro, medium and small enterprises (MSMEs) has suggested various measures to improve the flow of credit to the sector.

The panel, headed by former Sebi chairman U. K. Sinha, has recommended a Rs 5000-crore stressed assets fund apart from doubling the limit of collateral free loans. The panel was in favour of retaining the proposed turnover-based definition to identify such units. It had submitted its report to the central bank, details of which were released today. The flow of loans to MSMEs was one of the friction points between the government and the RBI under former governor Urjit Patel.

It had several recommendations to boost the credit flow to the sector. The limit of loans disbursed under "PS-LoansIn59Minutes" portal should be en-

hanced to Rs 5 crore from Rs 1 crore, the panel said. The panel said banks should not insist on collateral for loans up to Rs 20 lakh against Rs 10 lakh now.

The government should sponsor a Fund of Funds (FoF) of Rs 10,000 crore to support venture capital and private equity firms investing in the MSME sector.

**Bad loan mitigation**

A distressed asset fund of Rs 5,000 crore is required. The fund could assist units in clusters where a change in the external environment has led to a large number of MSMEs becoming non-performing assets (NPA).

The fund could operate on the lines of the textile upgradation fund scheme (TUFs), which has been in existence over many years. It suggested that an MSME account could be considered for upgrade to "standard" after six months of satisfactory operations, instead of one year at present.

# SBI Life shares slump 5%

**OUR SPECIAL CORRESPONDENT**

**Mumbai:** Shares of SBI Life Insurance on Tuesday slumped 5 per cent after its partner BNP Paribas Cardif began a two-day process to sell up to 2.5 crore shares in the insurer.

On the BSE, the scrip ended at Rs 674.90, a drop of Rs 35.55 over its last close. The scrip touched an intra-day low of Rs 669.25 — a fall of around 6 per cent.

On Monday, SBI Life had announced that BNP Paribas Cardif, its foreign partner, will sell up to 2.5 crore shares, representing a 2.5 per cent stake for at least Rs 1,625 crore through an offer for sale (OFS) mechanism.

The two-day OFS, for which the floor price has been fixed at Rs 650 per share opened on Tuesday. The floor price was lower than Monday's closing rate of Rs 710.45 per share on the BSE.

BNP Paribas held 7.7 crore shares, representing 7.7 per cent stake in the insurance company as on March 31, 2019. State Bank of India holds 62.10 per cent in the company.

BNP Paribas Cardif has been gradually lowering its stake in the company. On March 29, it had sold 5 crore shares of the insurance company for Rs 2,889 crore. Earlier in the same month, Carlyle Group had acquired 9 per cent stake in the life insurer from BNP Paribas Cardif.

SBI Life Insurance had reported a 20 per cent increase in net profit to Rs 457.68 crore in March quarter of 2018-19. The SBI arm had posted a net profit of Rs 381.21 crore a year ago.

# SpiceJet connects Durgapur

**OUR SPECIAL CORRESPONDENT**

**New Delhi:** SpiceJet on Tuesday said it had flagged off a daily direct flight on the Durgapur-Mumbai route, under the regional connectivity scheme — UDAN.

SpiceJet is deploying Boeing 737 aircraft for the service. Flights will take off from Mumbai at 7.50 am for Durgapur and the return flight from the industrial city is at 10.45 am. Durgapur's Kazi Nazrul Islam Airport, located at Andal, is India's first private-sector greenfield airport.

The under-served market of Durgapur is the airline's 13th destination under UDAN and with the launch SpiceJet now operates a total of 45 flights connecting 25 cities under UDAN, the airline said. The route was awarded under UDAN III and is exclusive to the airline, making it the only carrier to offer services in the sector.

Meanwhile, the carrier will start eight daily international flights from Mumbai and Delhi in July.

# DHFL makes part payment

**OUR SPECIAL CORRESPONDENT**

**Mumbai:** Dewan Housing Finance Ltd (DHFL) has been able to pay only a portion of its dues vis-a-vis some commercial papers (CPs) that matured on Tuesday.

In a late evening filing with the stock exchanges, the housing finance company said it had repaid 40 per cent of the Rs 375 crore commercial paper. The balance amount will be paid over the next couple of days.

"Out of the aggregate amount of Rs 375 crore, Rs 150 crore — 40 per cent has been paid on a proportionate basis and the balance amount of Rs 225 crore shall be paid in the next couple of days," it said.

DHFL added that the remaining amount would be paid in the next two days once the surplus cash flow position improved. "The company is already in the process of selling down its loan assets including wholesale project loans to make good all its obligations and maintain its 100 per cent commitment to all its creditors as it has done since the liquidity crisis started in September 2018," it said.

The company said it had met liability obligations of more than Rs 41,000 crore without any recourse to fresh debt amid multiple rating downgrades. It met all financial obligations through a combination of internal accruals, the sale of its loan assets and the monetisation of non-core assets.

Earlier this month, the company had during a "seven-day cure period" paid off its obligations on redeemable non-convertible debentures worth Rs 962 crore.

DHFL, which had delayed the payment earlier this month, had paid interest towards a total of 12 NCDs. The payment of Rs 962 crore included Rs 500 crore that had received from selling its entire stake in subsidiary firm Aadhar Housing Finance Ltd (Aadhar). The NBFC had used proceeds of the sale of its over 9 per cent stake in Aadhar to pay off the NCD dues.

# Rail wants spectrum for free

**OUR SPECIAL CORRESPONDENT**

**New Delhi:** The railways are lobbying hard for the allotment of 15 Mhz of radio waves free of cost in the lucrative 700 Mhz spectrum band that would require the government to forego potential revenues of over Rs 1.72 lakh crore that it might stand to gain from an auction due later this year.

On Monday, the telecom regulator put out a consultation paper seeking public opinion on the legitimacy of the demand made by the railways.

The railways has tried to push its case for the allotment of free spectrum on the ground that it would be used to build a long term evolution (LTE)-based network which will enhance safety, security and passenger amenities on the rail network.

In 2016, Trai had fixed a combined reserve price of Rs 11,485 crore for 1 Mhz of pan-India spectrum (in 22 telecom circles) in this band. There were no bids from any telecom player in the 2016.

At the 2016 reserve price, the allocation of 15 Mhz pan-India spectrum to the

**MAKING WAVES**

(Mhz)	Price@	@ Reserved price (Rs) for 1 Mhz of pan-India spectrum set for 2016 auction
700	11,485	
800	5,819*	
900	2,632#	
1800	2,648**	
2100	3,746	
2300	817	
2500	817	

and the department of telecom (DoT) had offered spectrum to the railways in the 450-470 Mhz band for the LTE-based network but the railways has rejected it. The DoT has maintained that if the request of the railways for allotment of 15 Mhz spectrum is considered, only 20 Mhz spectrum in 700 MHz band will be left for auction to the mobile telephony players.

"This may not be sufficient for 4G/5G services considering that three to four service providers will be offering services in each service area," the DoT has said. The 700 Mhz band is one of the priciest and vies with radio waves in the 900 Mhz band as the most expensive. Telecom players have been reluctant to go ahead with 5G spectrum auction this year because it might prove to be pricey and there isn't certainty about consumer demand.

One of the questions lobbed through the consultation paper could be significant for the telecom players. It reads: "Do you foresee any challenges, if the Indian Railways makes internet services available on-board i.e. within the train using spectrum allocated for signalling purpose?"